GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5855
ANSWERED ON:02.05.2003
ADDITIONAL GRANTS TO ORISSA
BHARTRUHARI MAHTAB

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Ministry had reviewed any memorandum for providing additional grants to the States of Orissa;

(b) if so, the reasons given by State Government of Orissa; and

(c) the decision of the Union Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) Yes, Sir.

(b) The Government of Orissa had represented that the Eleventh Finance Commission (EFC) had under assessed their committed expenditure and overpitched the receipts (non-Plan grants).

(c) The Eleventh Finance Commission (EFC) recommended devolution to States after making a holistic assessment of the revenue receipts and non-Plan revenue expenditure of both the States and the Centre, keeping in view the need for vertical and horizontal equity. The Government of India have since accepted the recommendations of EFC. The reopening of recommendations of EFC on any issue is neither feasible nor desirable.